

111TH CONGRESS
1ST SESSION

H. R. 333

To amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability rated less than 50 percent to receive concurrent payment of both retired pay and veterans' disability compensation, to eliminate the phase-in period for concurrent receipt, to extend eligibility for concurrent receipt to chapter 61 disability retirees with less than 20 years of service, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 8, 2009

Mr. MARSHALL (for himself, Mr. JOHNSON of Georgia, Mr. BARROW, Mr. WESTMORELAND, Ms. SHEA-PORTER, Mr. TAYLOR, Mrs. GILLIBRAND, Mr. COURTNEY, Mr. MOORE of Kansas, Mr. BISHOP of Georgia, Mr. GOHMERT, Mr. BOUCHER, Mr. SCHIFF, Mr. DEFazio, Mr. BRADY of Pennsylvania, and Mr. MCINTYRE) introduced the following bill; which was referred to the Committee on Armed Services, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability rated less than 50 percent to receive concurrent payment of both retired pay and veterans' disability compensation, to eliminate the phase-in period for concurrent receipt, to extend eligibility for concurrent receipt to chapter 61 disability retirees with less than 20 years of service, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Disabled Veterans Tax
 5 Termination Act”.

6 **SEC. 2. CONCURRENT RECEIPT OF BOTH RETIRED PAY AND**
 7 **VETERANS’ DISABILITY COMPENSATION FOR**
 8 **MILITARY RETIREES WITH COMPENSABLE**
 9 **SERVICE-CONNECTED DISABILITIES.**

10 (a) INCLUSION OF RETIREES WITH SERVICE-CON-
 11 NECTED DISABILITIES RATED LESS THAN 50 PER-
 12 CENT.—Subsection (a) of section 1414 of title 10, United
 13 States Code, is amended—

14 (1) by striking “COMPENSATION” in the sub-
 15 section heading and all that follows through “Sub-
 16 ject” and inserting “COMPENSATION.—Subject”;

17 (2) by striking “qualifying service-connected
 18 disability” and inserting “service-connected dis-
 19 ability”; and

20 (3) by striking paragraph (2).

21 (b) REPEAL OF PHASE-IN OF CONCURRENT RECEIPT
 22 OF RETIRED PAY AND VETERANS’ DISABILITY COM-
 23 PENSATION.—Such section is further amended—

24 (1) in subsection (a), as amended by subsection

25 (a) of this section, by striking the final sentence;

1 (2) by striking subsection (c) and redesignating
2 subsections (d) and (e) as subsections (c) and (d),
3 respectively; and

4 (3) in subsection (d), as so redesignated, by
5 striking paragraphs (3) and (4).

6 (c) INCLUSION OF DISABILITY RETIREES WITH LESS
7 THAN 20 YEARS OF SERVICE.—Subsection (b) of such
8 section is amended—

9 (1) in paragraph (1), by striking “member re-
10 tired” and inserting “qualified retiree who is re-
11 tired”; and

12 (2) by striking paragraph (2) and inserting the
13 following new paragraph:

14 “(2) DISABILITY RETIREES WITH LESS THAN 20
15 YEARS OF SERVICE.—The retired pay of a qualified
16 retiree who is retired under chapter 61 of this title
17 with fewer than 20 years of creditable service is sub-
18 ject to reduction under sections 5304 and 5305 of
19 title 38, but only by the amount (if any) by which
20 the amount of the member’s retired pay under such
21 chapter exceeds the amount equal to 2½ percent of
22 the member’s years of creditable service multiplied
23 by the member’s retired pay base under section
24 1406(b)(1) or 1407 of this title, whichever is appli-
25 cable to the member.”.

1 (d) CLERICAL AMENDMENTS.—

2 (1) SECTION HEADING.—The heading for such
3 section is amended to read as follows:

4 **“§ 1414. Members eligible for retired pay who are also**
5 **eligible for veterans’ disability compensa-**
6 **tion: concurrent payment of retired pay**
7 **and disability compensation”.**

8 (2) TABLE OF SECTIONS.—The item relating to
9 such section in the table of sections at the beginning
10 of chapter 71 of such title is amended to read as fol-
11 lows:

“1414. Members eligible for retired pay who are also eligible for veterans’ dis-
ability compensation: concurrent payment of retired pay and
disability compensation.”.

12 (e) CONFORMING AMENDMENT.—Section 1413a(f) of
13 such title is amended by striking “Subsection (d)” and
14 inserting “Subsection (c)”.

15 (f) EFFECTIVE DATE.—The amendments made by
16 this section shall take effect on the first day of the first
17 month beginning after the date of the enactment of this
18 Act and shall apply to payments for months beginning on
19 or after that date.

1 **SEC. 3. COMBAT-RELATED SPECIAL COMPENSATION TECH-**
2 **NICAL CORRECTIONS REGARDING AMOUNT**
3 **OF MONTHLY PAYMENTS FOR CHAPTER 61**
4 **DISABILITY RETIREES.**

5 (a) TECHNICAL CORRECTIONS.—Section 1413a(b)(3)
6 of title 10, United States Code, is amended—

7 (1) in subparagraph (A), by striking “shall be
8 reduced” and all that follows through “exceeds” and
9 inserting “may not, when combined with the amount
10 of retired pay payable to the retiree after any reduc-
11 tion under sections 5304 and 5305 of title 38, cause
12 the total of such combined payment to exceed”; and

13 (2) in subparagraph (B), by striking “shall be
14 reduced” and all that follows through “exceeds” and
15 inserting “may not, when combined with the amount
16 of retired pay payable to the retiree after any reduc-
17 tion under sections 5304 and 5305 of title 38, cause
18 the total of such combined payment to exceed”.

19 (b) EFFECTIVE DATE.—The amendments made by
20 this section shall take effect on the first day of the first
21 month beginning after the date of the enactment of this
22 Act and shall apply to payments for months beginning on
23 or after that date.

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